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4 (Sem-5) INTR

2021

(Held in 2022)

COMMERCE

Paper : 5.5

(Finance Major)

(International Trade)

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Select the most appropriate answer from the choices given against each : $1 \times 10 = 10$
 - (a) Which of the following is/are the assumption(s) made by the theory of computer advantage ?
 - (i) Full employment
 - (ii) Constant return to scale
 - (iii) Mobility of labour within the country
 - (iv) All of the above

Contd.

(b) Which of the following is a non-tariff barrier to international trade ?

- (i) Embargo
- (ii) Export duty
- (iii) Countervailing duty
- (iv) Both (i) and (ii) of the above

(c) Quantitative restrictions refer to the limits set by countries to curb

- (i) imports
- (ii) exports
- (iii) imports and exports
- (iv) None of the above

(d) Which of the following is a feature of custom union ?

- (i) Factors mobility
- (ii) No internal tariff plus common external tariff
- (iii) Trade disputes are settled mutually common interest
- (iv) Restricted movement of goods and services

(e) Free trade agreement means

- (i) To abolish all tariffs among member countries
- (ii) To abolish all tariff and non-tariff barriers among most favoured nations
- (iii) Selective entry of goods and workers in mutually agreed countries
- (iv) Trade done among the nations in respect of precious metals and crude oil only

(f) A marine insurance is a contract of

- (i) increment
- (ii) indemnity
- (iii) maturity
- (iv) None of the above

(g) A foreign currency account maintained by a bank abroad is its

- (i) Nostro account
- (ii) Vostro account
- (iii) Loro account
- (iv) Foreign bank account

(h) An authorised person under FEMA does not include

- (i) an authorised dealer
- (ii) an authorised money changer
- (iii) an off-shore banking unit
- (iv) an exchange broker

(i) When was the GATT agreement signed ?

- (i) 1949
- (ii) 1947
- (iii) 1952
- (iv) 1957

(j) The first UNCTAD was held in Geneva in

- (i) 1946
- (ii) 1956
- (iii) 1964
- (iv) 1974

2. Answer the following questions in about **50** words each : $2 \times 5 = 10$

- (a) What do you mean by 'dumping' ?
- (b) What do you mean by 'green field investments' ?
- (c) State the meaning of foreign exchange under FEMA.
- (d) What is bill of lading ?
- (e) State some examples of non-tariff barriers.

3. Answer **any four** of the following in about **150** words each : $5 \times 4 = 20$

- (a) Write a short note on 'Duty Entitlement Pass Book' (DEPB).
- (b) Write a short note on GATS.
- (c) Explain the meaning of 'terms of trade'.
- (d) Discuss the objective of Regional Trade Agreement (RTA).
- (e) Discuss the benefits a country derives by importing.
- (f) Discuss various types of tariffs.

4. Answer the following in about **600** words each : $10 \times 4 = 40$

- (a) Critically explain comparative cost theory of international trade.

Or

Explain the basic difference between international trade and domestic trade.

- (b) Explain the role of Export and Import Bank of India in promoting international trade.

Or

Discuss the gains for international trade.

- (c) Explain the main features of World Trade Organisation.

Or

What is 'import quota' ? How does it differ from tariff ?

- (d) State the merits and demerits of fixed and flexible exchange rate system.

Or

Give an account of international trade environment. Discuss in this context the role of Government of India in different global forum in recent periods.